

VZCZCXYZ0100
RR RUEHWEB

DE RUEHHK #1460 2190832
ZNR UUUUU ZZH
R 070832Z AUG 09
FM AMCONSUL HONG KONG
TO RHMFIUU/DEPT OF HOMELAND SECURITY IA WASHINGTON DC
RUEHC/SECSTATE WASHDC 8265
INFO RUEHIL/AMEMBASSY ISLAMABAD 1146
RUEHLO/AMEMBASSY LONDON 0765
RUEHUL/AMEMBASSY SEOUL 3556
RUEHTG/AMEMBASSY TEGUCIGALPA 0118
RUEHKP/AMCONSUL KARACHI 1408

UNCLAS HONG KONG 001460

SIPDIS
SENSITIVE

STATE FOR EAP/CM; DHS FOR SFI DINUCCI

E.O. 12958: N/A

TAGS: [ETRD](#) [PREL](#) [HK](#) [GB](#) [OM](#) [EWWT](#)

SUBJECT: HONG KONG COMMITTED TO COOPERATION POST-SFI PILOT

11. (U) This message is Sensitive but Unclassified. Not for Internet Distribution.

12. (SBU) Hong Kong Trade and Industry Department (HK TID) Deputy Director General Vivian Lau told Department of Homeland Security (DHS) Secure Freight Initiative Director Rich DiNucci on July 23 that Hong Kong remains committed to cooperation with the United States on trade security and export controls. She stressed that the successful completion of the Secure Freight Initiative (SFI) pilot program at Modern Terminal should not be interpreted as Hong Kong's backing away from its partnership with the U.S. on these and other issues. Lau said she had seen a recent statement by DHS Secretary Napolitano that incorrectly asserted that Hong Kong had withdrawn from the SFI program. DiNucci assured her that the U.S. shares her regard for our partnership with Hong Kong and looks forward to continued cooperation on issues of mutual concern. He promised to speak to Secretary Napolitano's staff to clarify any misunderstandings.

13. (SBU) DiNucci outlined DHS plans to focus SFI implementation efforts first on strategic ports. He noted that the requirements of the SAFE Ports Act for 100 percent scanning of U.S. bound cargo currently appear unlikely to be amended, but acknowledged that it will not be possible to meet the 2012 implementation target. DHS has learned much from its implementation efforts in Southampton, Salalah, Hong Kong and other SFI venues and will continue to work to ensure that the SFI program not only increases security, but also facilitates trade.

14. (SBU) Lau noted that the SFI operation in Karachi, Pakistan appeared to have real trade facilitation benefits for shipments originating there, but that in a safe, high volume port like Hong Kong, the trade facilitation benefits are less clear. Of the more than 20,000 containers scanned in the SFI pilot program in Hong Kong, less than one percent triggered an alarm and all of these were able to be resolved without finding any radioactive materials or weapons components. Yet the containers scanned in Hong Kong were inspected at roughly the same rate in U.S. ports as unscanned containers. DiNucci agreed, and added that DHS would welcome input from shippers about how SFI affected their operations in Hong Kong and how it could be improved to provide additional benefits to them.

15. (SBU) SFI Director DiNucci has seen and cleared this message.
MARUT